



2026

Annual REPORT



IOLA Fund of the State of New York

About IOLA

The Interest on Lawyer Account Fund of the State of New York (IOLA Fund or IOLA) was established more than four decades ago to fund free civil legal services to low-income New Yorkers, all at no expense to taxpayers.

By 1980, Congress passed legislation to eliminate prohibitions on the payment of interest on checking accounts. Capitalizing on this new banking feature, the New York State Bar Association became the principal legislative advocate for an innovative change in the procedure for an attorney's handling of certain types of client deposits so as to benefit New Yorkers in need.

In response to the State Bar's strong advocacy, the New York legislature authorized a new type of attorney trust account - an IOLA account. An IOLA account is an interest bearing trust account that allows attorneys to pool both small client deposits and client deposits expected to be held for only a short period of time in one account, in accordance with NY Judiciary Law § 497. Prior to the advent of the interest-bearing checking account, the interest income from these types of deposits benefited only the banking institutions. Now, the interest would be harvested to provide funds for civil legal assistance to low-income New Yorkers.

The IOLA Fund was established by legislation as the administrator of the IOLA program. Banks throughout New York state voluntarily participate in the IOLA program by offering IOLA accounts to attorneys. Banks remit the interest earned on IOLA accounts to the IOLA Fund, which in turn distributes these funds as grants to nonprofit legal aid organizations across the state. Over the last four decades, the IOLA Fund has become a crucial source of funding to help stabilize low-income neighborhoods and provide people with the basic necessities of life, such as food, shelter, and housing.

Our Mission

IOLA's mission is to ensure that all New Yorkers have access to civil legal services, regardless of their ability to pay. By funding legal aid providers statewide, IOLA helps protect the rights of vulnerable populations including low-income families, seniors, veterans, and immigrants.

87

Grantee
Organizations

\$77.5M

Annual Grant
Distributions

\$5.3B

Total Economic
Impact

How IOLA Helps New Yorkers

Each year, IOLA-funded organizations provide free civil legal assistance to hundreds of thousands of New Yorkers facing critical legal challenges.



Housing

Preventing evictions, foreclosures, and homelessness for low-income tenants and families.



Family Law

Helping survivors of domestic violence obtain orders of protection and custody.



Public Benefits

Securing access to essential benefits including healthcare and food assistance.



Immigration

Providing legal representation for immigrants seeking safety and stability.



Consumer Protection

Defending against predatory lending, debt collection, and fraud.



Elder Law

Protecting seniors from abuse, neglect, and financial exploitation.

BANKING COMPLIANCE

The IOLA Fund oversees the participation of financial institutions in the IOLA program, ensuring that their IOLA account products comply with applicable statutes and regulations. The regulatory framework requires that the interest paid on IOLA accounts be no less than the rate paid on comparable accounts offered by a bank to its best customer. Comparable accounts include interest-bearing accounts with check-writing capabilities such as accounts offered to municipalities, businesses, individuals, and high-net-worth clients.

Alternatively, a participating bank may elect the Safe Harbor interest rate, which is equal to 60% of the Federal Funds Target Rate or 1.00%, whichever is higher. Banks electing Safe Harbor are identified as Platinum Partners on [our website](#).

The interest rate environment directly influences the rates banks commit to pay on IOLA accounts. IOLA closely monitors interest rate trends and maintains a robust banking compliance function, since its grantmaking revenue is generated from the interest remitted by banks. This ensures maximum returns for IOLA and supports generous grantmaking to legal services organizations across New York State.

175

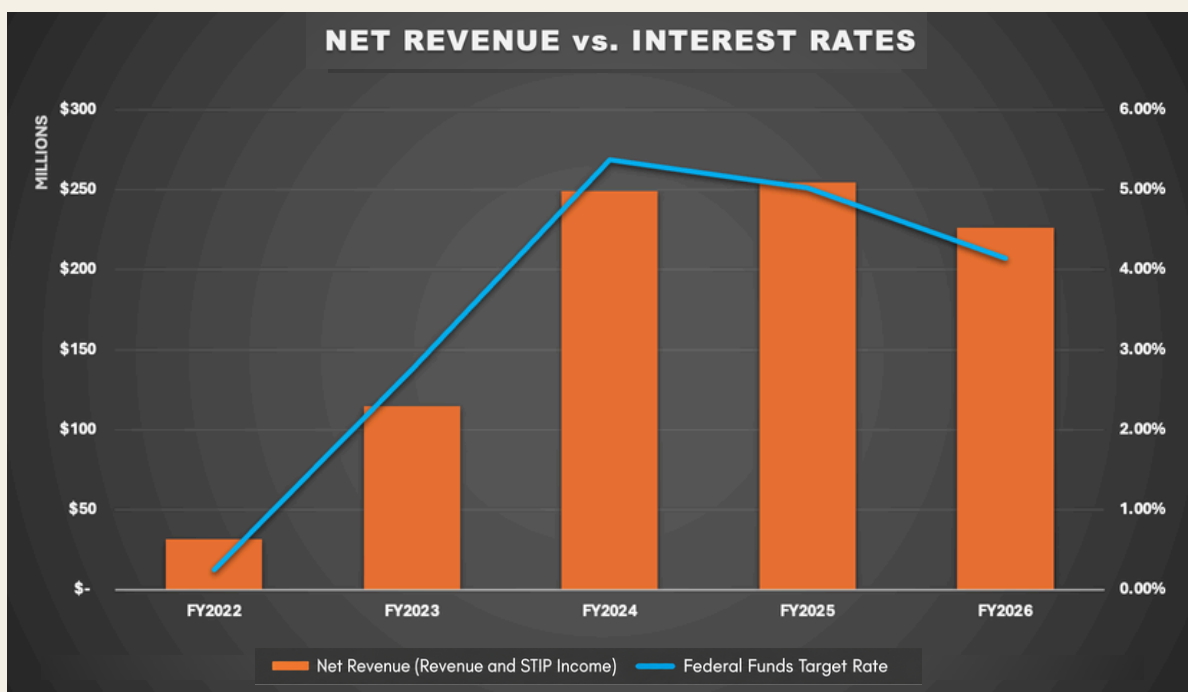
Participating
Banks

43,872

IOLA
Accounts

\$9.51B

Avg Daily Balance Among
All IOLA Accounts



COMMUNITY REINVESTMENT ACT

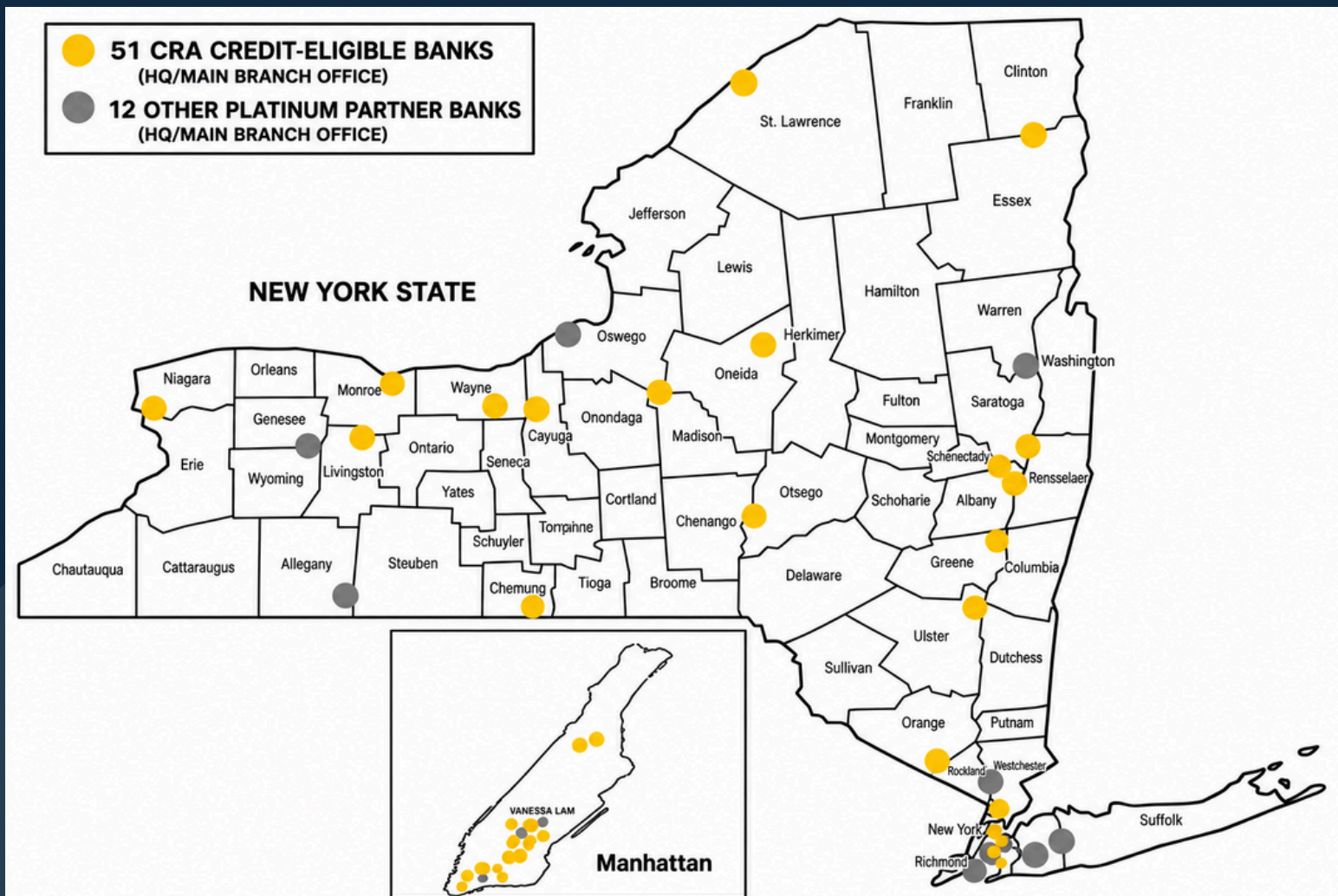
Each year, IOLA provides a Community Reinvestment Act (CRA) letter to qualifying banks that participate in the IOLA program.

In 1977, the federal government passed the CRA in response to redlining and a lack of investment by banking institutions in low-income and minority communities. The following year, in 1978, New York passed a state-specific CRA. Both the federal and state laws are intended to encourage banks to meet the credit needs of their local communities, including low- and moderate-income neighborhoods. Banks are evaluated by federal and state regulators periodically to ensure they are complying with the CRA and that they are serving their entire community. Participation in the IOLA program can be a powerful tool for banks to demonstrate their commitment to investment in underserved communities.

To be eligible for our CRA credit letter, a participating bank must be a Platinum Partner (pay at least the Safe Harbor rate) and agree to waive all maintenance fees on IOLA accounts.

Both our CRA credit-eligible partner banks and our other Platinum Partner banks are located throughout the State of New York.

CRA Credit-Eligible Banks & Platinum Partner Banks



WHERE YOU BANK MATTERS

The IOLA Fund partners with banks around New York who have demonstrated their commitment to improving low income communities and are doing the maximum to contribute to civil legal aid.

CRA Credit-Eligible Banks:

- Alpine Capital Bank
- Amalgamated Bank
- American Community Bank
- AmeriCU Credit Union
- AXOS Bank
- Bank Hapoalim B.M.
- Bank of America, N.A.
- Bank of Hope
- The Bank of Princeton
- Bank United, N.A.
- Beacon Bank & Trust
- Broadview Federal Credit Union
- Chemung Canal Trust Company
- Citizens Bank, N.A.
- City National Bank
- Cross County Savings Bank
- Columbia Bank
- DR Bank
- East West Bank
- Empower Federal Credit Union
- First Citizens Community Bank
- First Horizon Bank
- Genesee Co-op Federal Credit Union
- International Finance Bank
- Industrial Bank
- Interaudi Bank
- Kearny Bank
- The Lyons National Bank
- M&T Bank
- Metro City Bank
- Metropolitan Commercial Bank
- MidFirst Bank
- Modern Bank
- National Cooperative Bank, N.A.
- The National Bank of Cocksackie
- NBT Bank, N.A.
- NewBank
- New Millennium Bank
- NexTier Bank, N.A.
- NorthEast Community Bank
- Northwest Bank
- Pioneer Bank, N.A.
- Popular Bank
- Provident Bank
- Royal Business Bank
- Safra National Bank of New York
- Santander Bank, N.A.
- Savannah Bank, N.A.
- Spring Bank
- St. Lawrence Federal Credit Union
- Ulster Savings Bank
- Valley National Bank
- Wells Fargo Bank, N.A.
- Woori America Bank

Other Platinum Partner Banks:

- Apple Bank for Savings
- Arrow Bank, NA
- Bank of New York Mellon
- Eastbank
- First Citizens Community Bank
- Five Star Bank
- Flagstar Bank
- Flushing Bank
- Key Bank Services Corp.
- New York Community Bank
- Pathfinder Bank
- Webster Bank

The Impact of Federal Funding Reductions on Civil Legal Aid

In March 2026, IOLA surveyed its grantees regarding losses, suspensions, delays, or restrictions in federal funding support over the prior 12 months. The findings show severe financial strain across the network, as 64 organizations reported that federal funding was eliminated, reduced, suspended, or otherwise restricted. This shortfall amounts to a conservative estimate of \$14 million in lost revenue to New York State civil legal aid organizations.

IOLA Grantees: Loss of Federal Funding in FY2026

64 organizations reported elimination, reduction, suspension, or restriction of federal funding.

Approximate Value of Affected Federal Funding



Total Lost Revenue to NYS Civil Legal Aid Organizations

At Least
\$14
Million

Impact on Grantees and Services

24

organizations reported
staff lay-offs or hiring
freezes

37

organizations reported
reduced client services
and programming

GRANTMAKING

Low-income Americans do not receive help for 92% of their civil legal problems

In NYS, 4.3 million people are eligible for civil legal services

74% of low-income families in the U.S. experience 1 or more civil legal issue annually

Low-income Americans seek legal help for only 19% of their civil legal problems

IOLA has awarded over \$827.5 million to civil legal services nonprofits throughout New York State since the 1980s, in addition to 5-year grants totaling \$562.5 million for fiscal years 2026 through 2030.

Grantees, which vary by size and focus, provide direct representation, advice and counsel, pro se assistance, legal education, referrals, community and attorney trainings, partnerships and community collaborations, and impact litigation.

In FY2026, IOLA funded 87 organizations that served all 62 counties in New York. The network includes organizations with budgets from \$275,000 to \$135 million and staff sizes from 2 to 704.

Grantees include legal projects housed in domestic violence prevention agencies, religious organizations, social service organizations, and bar associations.

New York's poverty rate is approximately 14%, according to the 2024 American Community Survey. Approximately 4.3 million New Yorkers live at or below 125% of the poverty level and are eligible for civil legal services.

FY26 CIVIL LEGAL AID IMPACT IN NYS



318,817

legal cases closed
with 645,932 people benefited



551,285

hours donated by 31,280
pro bono volunteers



296,502

individuals received legal education
in-person, online, and via other means

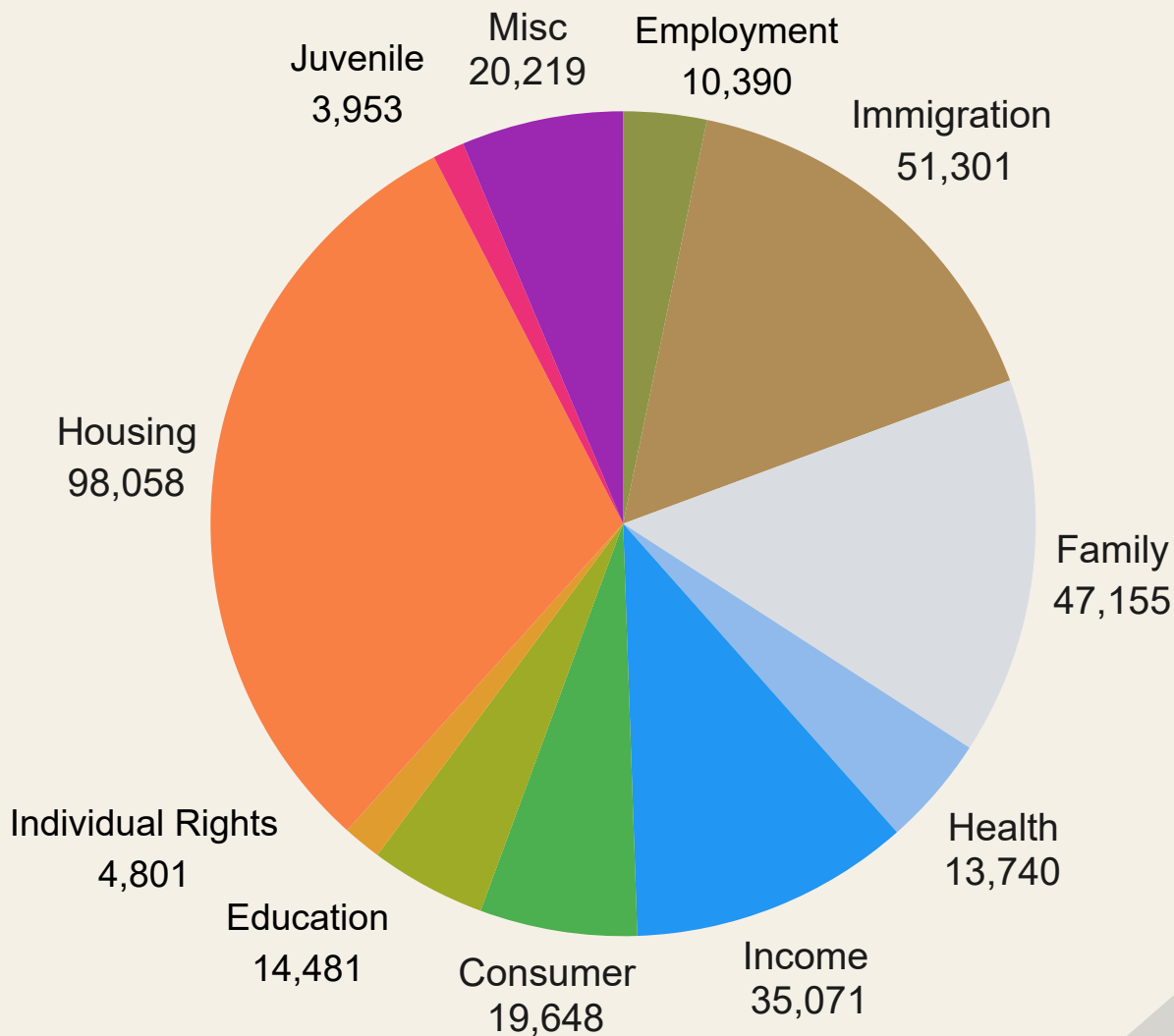


253,130

individuals received pro se assistance
to handle their legal issues independently

FY26 People Benefited by Case Category

IOLA GRANTEES CLOSED
318,817 LEGAL CASES,
BENEFITTING 645,932 PEOPLE



Housing & Foreclosure: 30.8% — Eviction defense and housing stability

Immigration: 16.1% — Visa and asylum applications and other immigration matters

Family: 14.8% — Family safety, custody, support, and guardianship

Income: 11% — SSI, SSD, SNAP, VA, Worker's Comp, and other benefits

Consumer: 6.2% — Predatory lending, bankruptcy, illegal debt collection

Misc.: 6.3% — Name changes, advanced planning, tax

Education: 4.5% — IEP/504 and school discipline cases

Health: 4.3% — Medicare, Medicaid, insurance, and other health-related matters

Employment: 3.3% — Wage claims, workplace safety, employment discrimination

Individual Rights: 1.5% — Access to housing, employment, and public facilities for people with disabilities

Juvenile: 1.2% — Various cases for at-risk and system-involved children

ADVOCACY SPOTLIGHT

A client was referred to **African Communities Together** seeking help with an asylum case. During the conversation, the client shared that she had been brought to the U.S. by a wealthy and powerful family under a work arrangement. Once here, her passport was taken, and she was forced to work up to 18 hours a day for very little pay. She described feeling treated as less than human, with no control over her situation.

When she spoke up, the family threatened to send her back to her country to continue working for them there, reminding her that she had no rights. She eventually escaped with her passport.

After she fled, **African Communities Together** worked with her to identify options for legal status that would give her protection and supported her in applying for a T Visa as a survivor of human trafficking. They also connected her with the National Human Trafficking Hotline where she received strong emotional support and guidance as well as documentation to help her case. Since then, she feels safer and more hopeful.

Her story is a powerful reminder of how important it is for survivors to be heard, believed, and supported.



Supporting a
Survivor of
Human
Trafficking
through Safety,
Status, and
Hope

ADVOCACY SPOTLIGHT



Capital District Women's Bar Association represented *John Smith, a veteran living with PTSD who struggled to maintain employment and was unaware that he qualified for VA disability benefits, health care, and housing assistance. As his condition worsened, he fell behind on rent and faced eviction.

After being referred to their program, John met with a staff attorney who took a trauma-informed approach to understand his circumstances and service history. The attorney quickly intervened by negotiating a temporary hold on the eviction, securing emergency rental assistance, and connecting John with a veterans service officer to file a VA disability claim.

Over time, John began receiving counseling through the VA and gained access to critical support services. His disability benefits were ultimately approved, providing stable income and ongoing care. As a result, John was able to remain in his housing and avoid eviction.

*name changed to protect the client's privacy

**Trauma-Informed Legal Support
Helps Veteran Secure Benefits,
Housing, and Stability**

ADVOCACY SPOTLIGHT



Accessible legal services turn vulnerability into stability, preventing conflict and protecting families for the long run.

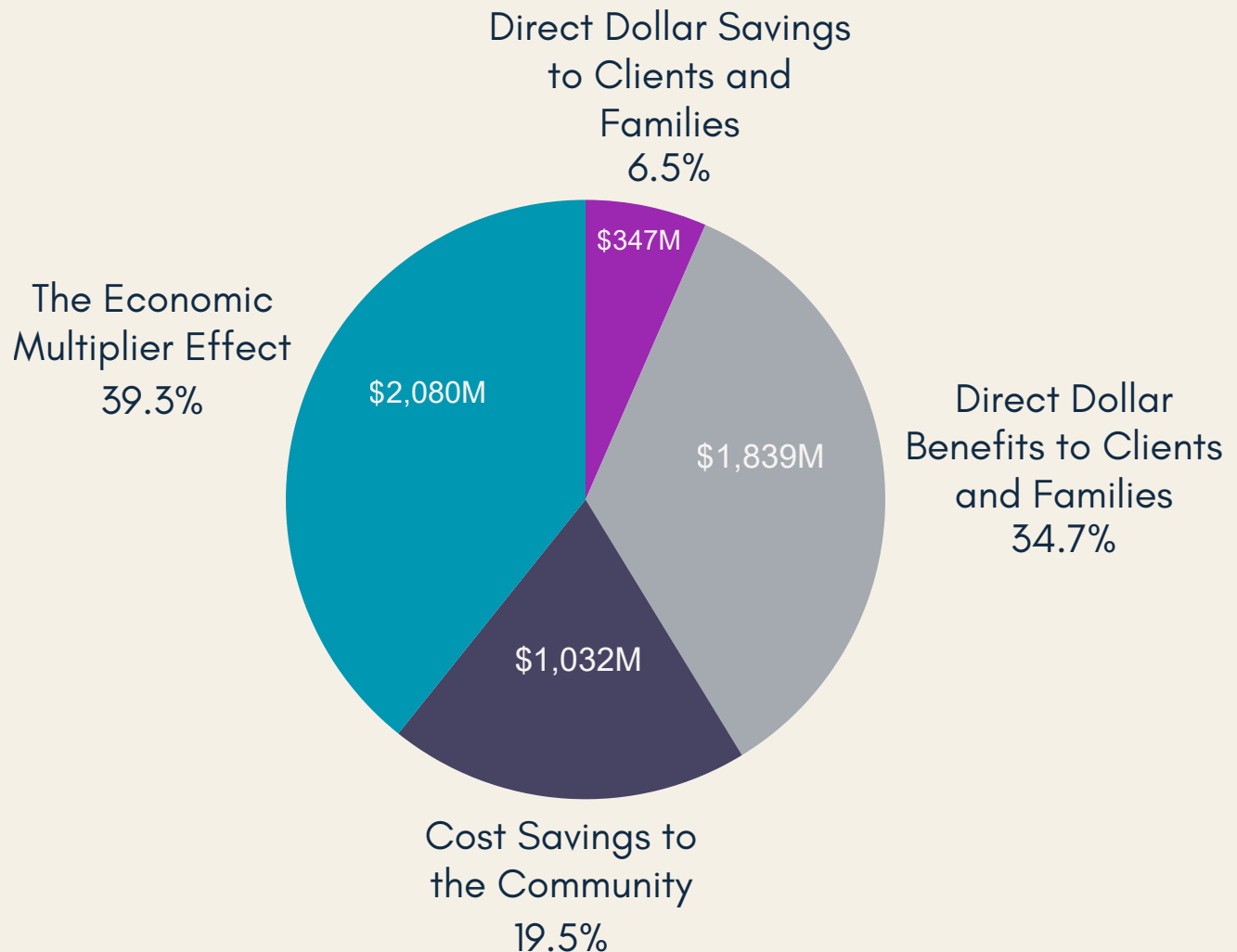
Ms. K, a Queens homeowner, connected with **Build Up Justice** through an in-person legal clinic hosted in partnership with the office of Senator Leroy Comrie. She sought assistance to ensure that her affairs were in order and that her wishes would be clearly honored without placing additional stress on her family. Ms. K's situation was made more urgent by the fact that her husband is living with dementia, placing increased responsibility on her to plan for the future.

She wanted to ensure that her children would not face confusion or conflict when making decisions on her behalf. A wills & estates attorney worked with Ms. K to execute a Power of Attorney and Health Care Proxy, providing her with peace of mind that trusted individuals are legally authorized to manage her financial and medical decisions if needed. Through this intervention, Ms. K took proactive steps to protect her home, support her family, and avoid potential disputes.

Her story reflects the importance of accessible legal services in helping clients plan ahead, maintain stability, and preserve dignity during challenging life circumstances.

IN FY26, CIVIL LEGAL SERVICES IN NEW YORK STATE YIELDED \$5.3 BILLION IN BENEFITS AND SAVINGS

Total Economic Impact of Civil Legal Services - \$5.3 Billion



Our Financial Impact: Beyond Case Numbers

Every dollar invested in civil legal aid delivers a tangible return to our community. We don't just track the number of clients who are served; we track the direct dollar savings, the money families keep in their pockets by avoiding illegal fees or unjust evictions, as well as the direct financial benefits secured for them, such as back pay, child support, and veterans' benefits. This financial stability flows directly back into our neighborhoods, fueling the local economy.

The Landscape of Civil Legal Services Funding in New York State (FY26)



In 2026, civil legal services organizations across New York State received approximately **\$1.02 billion** in funding, with state and local governments providing the largest share:

State government:	37% (\$379 million)
City and county governments:	35% (\$351.9 million)
Private fundraising:	12% (\$119.9 million)
Federal government:	11% (\$112.2 million)



Several agencies contributed to the \$379 million in state funding. The Judiciary was the largest source, contributing \$142.6 million, followed by the IOLA Fund at \$79.2 million and the Office of Temporary and Disability Assistance at \$74.9 million. The remaining funding came from other state entities, including the Office of the Attorney General and the Office for New Americans.



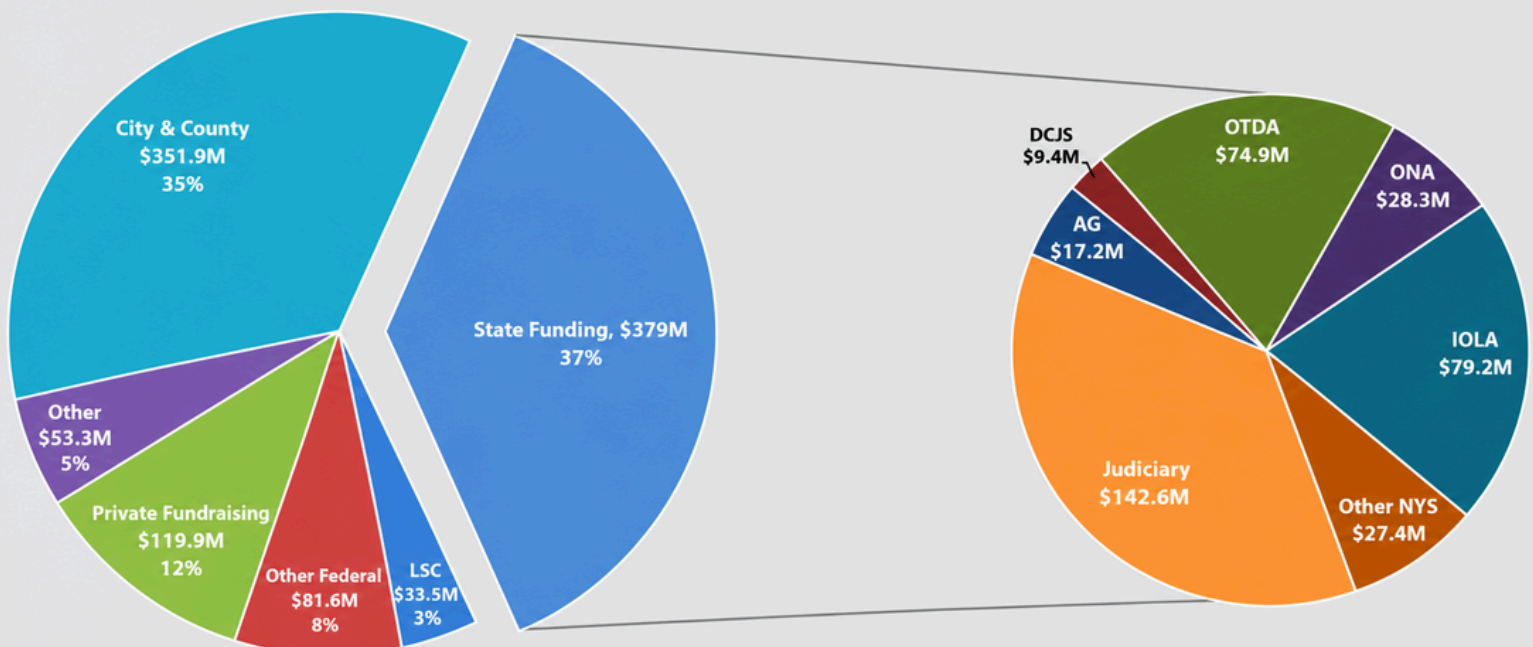
Government funding represents an average of 83% of the total budgets of organizations receiving IOLA grants. The proportion in the total budget varies by region:

- In New York City, government funding accounts for approximately 70% of organizational budgets.
- In Long Island and Upstate New York, it accounts for approximately 85%.



These regional differences underscore the heightened risk facing civil legal services providers outside New York City when government funding is reduced or uncertain.

**Funding for Civil Legal Services in New York State
FY26: \$1.02B**



Justice Infrastructure Project

The Justice Infrastructure Project (JIP), which launched in 2023, seeks to modernize New York's civil legal services ecosystem by addressing longstanding challenges that can prevent people from getting the right legal help at the right time. The initiative reflects IOLA's commitment to ensuring that every New Yorker with a civil legal problem has clear and timely access to high-quality legal information, advice, and representation.

IOLA's First Justice Infrastructure Summit

In August 2025, IOLA and planning partner Just-Tech hosted over 160 representatives from 64 grantees for a two-day summit at Albany Law School. Participants joined workshops and discussions on various topics, including grantee technology tools, technology policy development, generative AI, and knowledge management portals, among many others. This hugely successful event paved the way for other collaborative events to come.

Consulting Groups for Legal Information and Referral for the Public

Following the summit in Albany, the JIP project manager and IOLA staff facilitated four consulting groups to identify issues and potential solutions related to consistent, reliable, comprehensive, and up-to-date information and advice for New Yorkers in need. Fifty grantee representatives and three nationally recognized subject matter experts participated in four consulting groups—User Experience, Community Engagement, Directory, and Governance, that convened over six months and developed more than 100 recommendations for action.

To view the recommendations, visit our website:

<https://www.iola.org/about-iola/justice-infrastructure-project>.

Justice Infrastructure Project

STATEWIDE TRAINING CENTER

In January 2026, the Statewide Training Center launched to address a primary need identified by the Statewide Support Consulting Groups in spring 2025. Empire Justice Center, in partnership with The Legal Aid Society, was awarded a 4-year grant of \$4 million to launch this initiative. They have prioritized a collaborative approach to developing training content and in-person, virtual, and hybrid delivery for greater impact and connection within the legal aid community. With interactive sessions beginning in spring 2026, the Training Center will also include a learning management system to support long-term availability of recorded sessions and other resources.



\$4M
4-year grant



2
lead partners

JANUARY 2026 CONVENING

On January 14th, IOLA hosted a hybrid convening in New York City with 89 members of the legal aid community. IOLA discussed progress and next steps, followed by the Legal Services Corporation presenting on national innovations in AI tools, intake, and triage with a racial perspective. This community-centered event was highlighted by Empire Justice Center and The Legal Aid Society – introducing their vision and goals for the Statewide Training Center – as well as 60+ organizations sharing progress.

89
grantee representatives

60+
organizations

Hybrid • NYC

LOOKING AHEAD TO FY27

The next phase of JIP is focused on maintaining momentum and translating recommendations into coordinated action. The priorities below reflect continued collaboration, project development, and capacity building across New York's civil legal services community.



COFFEE & CONVERSATION SERIES

Continue creating opportunities for dialogue, relationship-building, and regional engagement across the legal aid community.



PROJECT-BASED GRANTS

Develop project-based grants that address recommendations emerging from the consulting groups.



FUTURE CONVENINGS

Ensure that IOLA continues to create space for meaningful statewide collaboration and shared learning.



CY-TAP TRAINING + DISCUSSION

Advance Cybersecurity and Technical Assistance Project (CY-TAP) training and facilitated discussion sessions with Just-Tech.

FROM RECOMMENDATIONS TO IMPLEMENTATION

FY27 provides an opportunity to convert the collaboration and planning developed through JIP into projects, training, convenings, and grants that strengthen the statewide civil legal services ecosystem.

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For a list of current IOLA grantees, visit www.iola.org



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